Application No. 09/770,765 Amendment "C" dated December 20, 2004 Reply to Office Action mailed October 4, 2004

REMARKS

Initially, Applicants would like to thank the Examiner for the courtesies extended during the recent interview held on November 16, 2004. The claim amendments made by this paper are consistent with the proposals discussed during the interview.

In the last office action, claims 30-35, 37-39 and 43-49 were considered and rejected under 35 U.S.C. § 103(a) as being unpatentable over Adams (U.S. Patent No. 6,044,396) in view of Ito (U.S. Patent No. 6,014,693)¹. Claims 37-39 were also rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for depending on a cancelled claim. Claims 37-39 have been amended to depend on claim 30, thereby correcting this informality.

By this paper, claims 30, 37-39, 43-45 and 47-49 have been amended² while new claims 50-58 have been added, such that claims 30-35, 37-39 and 43-58 remain pending for reconsideration, of which claim 30 is the only independent claim at issue. Each of these amended claims was discussed during the interview held on November 16, 2004.

As discussed during the interview, and as reflected in the interview summary, the amended claims appear to overcome the art of record. Although, the examiner will need to reconsider the amendments as filed and perform an updated search.

One reason the claims are distinguished from the art of record, is that the cited art (alone and in combination) fails to disclose or suggest a method for allocating video bandwidth on a cable network in which compression parameters are identified to compress data to a desired depth of compression, wherein the selection of compression parameters is based on a function of types of data to be displayed and a function of client capabilities, wherein the compression parameters are associated with a set of values and threshold ranges for degrading image quality based on the types of data and a customer identifier, particularly when considered in combination with the other recited claim elements.

This is also particularly true when considering that the type classification of the data can include such things as parts of a display (claim 55) such as icons and menu bars (claim 56), as well as computer game data types and text data types (claim 57).

Although the prior art status of the cited art is not being challenged at this time, Applicants reserve the right to challenge the prior art status of the cited art at any appropriate time, should it arise. Accordingly, any arguments and amendments made herein should not be construed as acquiescing to any prior art status of the cited art.

² Support for the claims is drawn from various passages in the specification, including, but not limited to paragraphs 183-185, 195-196, 205, 210, as discussed during the interview.

FAX NO. 19013251707

Application No. 09/770,765 Amendment "C" dated December 20, 2004 Reply to Office Action mailed October 4, 2004

As further discussed during the interview, the cited art also fails to disclose or suggest the use of hints included with the data specifying how the data should be compressed and multiplexed based on bandwidth requirements (claim 53).

For at least the foregoing reasons, applicants respectfully submit that the pending claims are now in condition for prompt allowance. In the event that the Examiner finds remaining impediment to a prompt allowance of this application that may be clarified through a telephone interview, the Examiner is requested to contact the undersigned attorney.

Dated this Zo day of December 2004.

Respectfully submitted,

RICK D. NYDEGGER Registration No. 28,651

JENS C. JENKINS Registration No. 44,803 Attorneys for Applicant

Customer No. 47973

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